UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL ADJUSTMENT ADMINISTRATION WASHINGTON, D. C.

INSTRUCTIONS FOR STATE AND COUNTY COMMITTEES FOR DETERMINING ELIGI-BILITY AND COMPLETING DOCUMENTS FOR BARLEY LOANS UNDER THE 1940 BARLEY LOAN PROGRAM

## Introduction

These instructions are issued in accordance with Commodity Loan Regulations No. 1, as amended October 21, 1939, and 1940 C.C.C. Barley Form 1, "Instructions." 40-WL-2 NCR will be used by the State and county agricultural conservation committees as a guide for making 1940 barley loans, and the procedure contained therein is made a part of these instructions, except as stated herein, or the procedure is obviously inapplicable.

Eligible Producer. An eligible producer shall be any person, partnership, association, or corporation producing barley as landowner, landlord, or tenant upon whose farm the 1940 acreage classified as soil-depleting under the 1940 Agricultural Conservation Program does not exceed the total soil-depleting acreage allotment for the farm.

Eligible Barley shall be barley stored on the farm in all States of the North Central Region, grading No. 5 or better, which was produced in 1940, and the beneficial interest to which is and always has been in the eligible producer.

Barley grading tough, stained, blighted, smutty, garlicky, weevily, ergoty or bleached shall not be eligible for a loan. Barley grading No. 4 or No. 5 for reasons other than test weight should be checked carefully and if such factors will endanger the keeping qualities of such barley, the loan should be rejected.

Eligible Storage. Eligible storage shall meet the requirements as set out in 40-WL-2 NCR for farm storage.

Loan Value. Eligible barley stored on the farm in the North Central Region shall have the following loan values: No. 1 - 35 cents; No. 2 - 34 cents; No. 3 - 32 cents; No. 4 - 29 cents; No. 5 - 25 cents. A discount of two cents (26) per bushel shall be made for mixed barley.

Maturity and Interest Rate. Loans on eligible barley may be made through approved lending agencies or direct with the Commodity Credit Corporation, and will be handled through the special representative's office serving

the area. Barley loans will be available until December 31, 1940, and will mature on demand or ten (10) months from date of the note, and bear interest at three percent (3%) per annum.

Insurance. The requirements as set forth in 40-WL-2 NCR in regard to insurance are applicable in connection with the barley loan. The amount of such insurance shall not be less than the face value of the note plus interest for one year.

Fees for Cperating Expense. County associations shall collect one cent (1\$\phi\$) per bushel based on the net amount of bushels securing the loan in farm storage - forty percent (40%) of such fees collected shall be transmitted to the Commodity Credit Corporation, using 40-WL-6, properly stamped "BARLEY" or headed "40-Barley-6" as the letter of transmittal.

Forms. You will be furnished with the following 1940 barley forms: 1940 C.C.C. Barley Form 1, "Instructions Concerning Barley Loans;" 1940 C.C.C. Barley Form A, "Barley Producer's Note"; 1940 C.C.C. Barley Form AA, "Barley Chattel Mortgage." All other forms used in the county and State office administration of 1940 barley loans will be converted from 1940 wheat loan forms by altering and amending in the following manner:

- (1) Producer's Letter of Transmittal. Use 1940 C.C.C.

  Wheat Form C, "Producer's Letter of Transmittal."

  Stamp or write the following notation in the center at the top of the form: "For the purpose of this form, the word 'wheat' appearing herein shall be deemed to be 'barley'."
- (2) Separate Lien Waiver Form. Use 1940 C.C.C. Wheat Form AB, "Wheat Lien Waiver." Stamp or write the following notation directly above the title "Wheat Lien Waiver": "For the purpose of this form, the word 'wheat' appearing herein shall be deemed to be 'barley'."
- (3) Control Card. Use C.C.C. Wheat Control-A. Each card used for barley loans shall have the word 'wheat' lined out and the word 'barley' stamped or written at the top of the form.

(4) Barley Loan Work Sheet. Use 40-WL-1, "Wheat Loan Work Sheet." Delete the word 'wheat' in title and substitute 'barley'. In section I, items "allotment" and "planted" shall refer to "total soil-depleting acres" rather than "wheat acres." In section IV, item 11, the test weight factor shall be taken from the following schedule:

For	barley	testing	48	pounds	or	over						100%
For	barley	testing	47	pounds	or	over,	but	less	than	48	pounds	98%
For	barely	testing	46	pounds	or	over,	but	less	than	47	pounds	9 6%
For	barley	testing	45	pounds	or	over,	but	less	than	46	pounds	94%
For	barley	testing	44	pounds	or	over,	but	less	than	45	pounds	92%
For	barley	testing	43	pounds	or	over,	but	less	than	44	pounds	90%
For	barley	testing	42	pounds	or	over,	but	less	than	43	pounds	88%
For	barley	testing	41	pounds	or	over,	but	less	than	42	pounds	85%
For	barley	testing	40	pounds	O.r.	over,	but	less	than	41	pounds	83%
For	barley	testing	39	pounds,	or	over,	but	less	than	40	pounds	81%
For	barley	testing	38	pounds	or	over,	but	less	than	39	pounds	79%
For	barley	testing	37	pounds	or	over,	but	less	than	38	pounds	77%
For	barley	testing	36	pounds	or	over,	but	less	than	37	pounds	75%
For	barley	testing	35	pounds	or	over,	but	less	than	36	pounds	73%

(5) County Committee Report of Barley Loans Certified. Use 40-WL-4, "County Committee Report of Wheat Loans Certified." The word "WHEAT" in the title should be stricken therefrom. In the blank preceding the word "storage" there shall be written "Barley-Farm." Columns (j), and (k) will not be used in reporting barley loans.

(It is suggested that each county administering barley loans should purchase a rubber stamp with the impression "1940 BARLEY" and stamp all converted wheat forms therewith in the upper right corner, in addition to the alterations and amendments set out above).